

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS Great Plains Regional Office 115 Fourth Avenue S.E. Aberdeen, South Dakota 57401



IN REPLY REFER TO: DESCRM MC-208

DEC 1 0 2010

MEMORANDUM

TO:

Superintendent, Fort Berthold Agency

FROM:

cting
Regional Director, Great Plains Region

SUBJECT: Environmental Assessment Addendum and Finding of No Significant Impact

In compliance with the regulations of the National Environmental Policy Act (NEPA) of 1969, as amended, for an addendum to reroute access road by Petro-Hunt on the Fort Berthold Reservation, an Environmental Assessment (EA) Addendum has been completed and a Finding of No Significant Impact (FONSI) has been issued.

All the necessary requirements of the National Environmental Policy Act have been completed. Attached for your files is a copy of the EA, FONSI and Notice of Availability. The Council on Environmental Quality (CEQ) regulations require that there be a public notice of availability of the FONSI (1506.6(b)). Please post the attached notice of availability at the agency and tribal buildings for 30 days.

If you have any questions, please call Marilyn Bercier, Regional Environmental Scientist, Division of Environment, Safety and Cultural Resources Management, at (605) 226-7656.

Attachment

cc: Tex Hall, Chairman, Three Affiliated Tribes (with attachment) Elgin Crows Breast, THPO (with attachment)

Derek Enderud, BLM, Dickenson, ND (with attachment)

John Shelman, US Army Corps of Engineers

Jeffrey Hunt, Virtual One Stop Shop

Finding of No Significant Impact

Petro Hunt, LLC

Addendum to: Petro Hunt, LLC March 2010 Environmental Assessment for Drilling of 15-1H, 11-1H, 24-1H and 19-1H Exploratory Oil and Gas Wells

Fort Berthold Indian Reservation

The U.S. Bureau of Indian Affairs (BIA) has received a proposal for an addendum to authorize the reroute of an access road and associated utilities to Petro Hunt well number 152-93-18B-19-1H in McKenzie County, North Dakota, on the Fort Berthold Reservation. Associated federal actions by BIA include determinations of effect regarding environmental resources for developments on Tribal lands.

The potential of the proposed action to impact the human environment is analyzed in the attached addendum to an existing Environmental Assessment (EA), as required by the National Environmental Policy Act (NEPA). Based on the recently completed addendum to the EA, I have determined that the proposed project will not significantly affect the quality of the human environment. No Environmental Impact Statement is required for any portion of the proposed activities.

This determination is based on the following factors:

- 1. Agency and public involvement solicited for the preceding NEPA document was sufficient to ascertain potential environmental concerns associated with the currently proposed project.
- 2. Protective and prudent measures were designed to minimize impacts to air, water, soil, vegetation, wetlands, wildlife, public safety, water resources, and cultural resources. The remaining potential for impacts was disclosed for both the proposed action and the No Action alternative.
- 3. Guidance from the U.S. Fish and Wildlife Service has been fully considered regarding wildlife impacts, particularly in regard to threatened or endangered species. This guidance includes the Migratory Bird Treaty Act (16 U.S.C. 703 et seq.) (MBTA), the National Environmental Policy Act of 1969, as amended (42 U.S.C. 4321 et seq.) (NEPA), the Bald and Golden Eagle Protection Act (16 U.S.C. 668-668d, 54 Stat. 250) (BGEPA), Executive Order 13186 "Responsibilities of Federal Agencies to Protect Migratory Birds", and the Endangered Species Act (16 U.S.C. 1531 et seq.) (ESA).
- 4. The proposed actions are designed to avoid adverse effects to historic, archaeological, cultural and traditional properties, sites and practices. Compliance with the procedures of the National Historic Preservation Act is complete.
- 5. Environmental justice was fully considered.

egional Director

- 6. Cumulative effects to the environment are either mitigated or minimal.
- 7. No regulatory requirements have been waived or require compensatory mitigation measures.
- 8. The proposed projects will improve the socio-economic condition of the affected Indian community.

12/10/10 Date

ENVIRONMENTAL ASSESSMENT

Addendum

United States Bureau of Indian Affairs

Great Plains Regional Office Aberdeen, South Dakota



Petro Hunt, LLC

Addendum to:

Petro Hunt, LLC March 2010 Environmental Assessment for Drilling of 15-1H, 11-1H, 24-1H and 19-1H Exploratory Oil and Gas Wells

Fort Berthold Indian Reservation

December 2010

For information contact:
Bureau of Indian Affairs, Great Plains Regional Office
Division of Environment, Safety and Cultural Resources
115 4th Avenue SE
Aberdeen, South Dakota 57401
605-226-7656

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1 PURPOSE AND NEED FOR THE PROPOSED ACTION

Petro Hunt, LLC (Petro Hunt) proposes to reroute an access road and associated utility corridor to its 152-93-18B-19-1H well pad in McKenzie County, North Dakota, on the Fort Berthold Indian Reservation. The proposed reroute would be approximately 1.94 miles in length. *Please refer to Exhibit 1, Project Location Map.*

The proposed reroute would be located on tribal lands. The rerouted access road/utility line corridor would connect to a Petro Hunt well pad that has achieved a Finding of No Significant Impact (FONSI) approval under the National Environmental Policy Act (NEPA) of 1969, as amended. The proposed reroute is necessary to access a previously approved well pad location due to the previously planned access road being no longer feasible on account of landowner access constraints.

2 AUTHORITIES

Activities associated with oil and gas exploration and development are conducted under authority of the Indian Mineral Leasing Act of 1938 (25 USC [United States Code] 396a, et seq.), the Indian Mineral Development Act of 1982 (25 USC 2101, et seq.), and the Energy Policy Act of 2005 (42 USC 15801, et seq.).

3 LEGAL LAND DESCRIPTION OF PROPOSED ACTION

The proposed access road/utility corridor reroute would be located in McKenzie County, North Dakota. The proposed reroute, approximately 1.94-mile long, would provide new access to the well pad in the NW% of Section 18, T152N, R93W. The proposed corridor would begin at North Dakota Highway 23 and extend north along the section line between Sections 17 & 18, Township 152N, Range 93W. The corridor would then extend in a northeast direction until it reaches the north boundary of Section 17. The corridor would then continue west along the north section line of Sections 17 and 18 until it reaches the previously approved 152-93-18B-19-1H well pad in the NE ¼ of the NW ¼ of Section 18.

Please refer to Figure 1 Project Location Map.

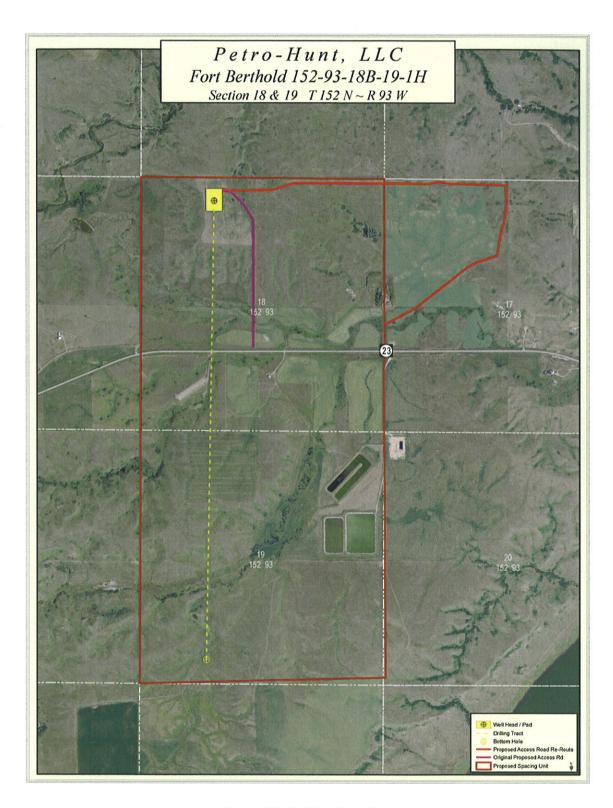


Figure 1 Project Location Map

4 SCOPE OF WORK FOR PROPOSED ACTION

An access road and utility line corridor was previously approved in a FONSI for Petro Hunt's 152-93-18B-19-1H well site. Since that time, the proposed corridor alignment has changed due to landowner constraints.

The Environmental Assessment (EA)/FONSI stated that the access road/utility line corridor would be constructed starting at the152-93-18B-19-1H well site and extend in a southeast direction before turning directly south until its intersection with North Dakota Highway 23 in Section 18, Township 152N, Range 93W. An on-site assessment was conducted on August 24, 2010, with representatives from the Bureau of Indian Affairs (BIA); Kadrmas, Lee & Jackson (KL&J); and the Three Affiliated Tribes (TAT) to look at a new corridor. A 100-foot corridor was surveyed centered on the proposed access road reroute for a total of approximately 23.5 acres. Those present at the on-site assessment agreed the reroute for the corridor would minimize potential environmental impacts. A new alignment was selected that would provide access to the pad while satisfying landowner concerns. The new route would access the pad from the same approximate direction; however, would take a different path to connect to North Dakota Highway 23. Please refer to *Figure 1 Project Location Map*. Culverts will be installed along the access road to maintain drainage patterns, as needed.

5 APPLICABLE NATIONAL ENVIRONMENTAL POLICY ACT (NEPA) DOCUMENTS

Environmental Assessment: Petro Hunt, LLC March 2010 Environmental Assessment for Drilling of 15-1H, 11-1H, 24-1H and 19-1H Exploratory Wells, Forth Berthold Reservation.

FONSI issued March 30, 2010

6 ASSESSMENT OF ENVIRONMENTAL IMPACTS

The following discussion addresses environmental and social impacts as a result of the proposed access road/utility corridor reroute. Impacts are only discussed if the realignment of the proposed corridor has changed the impact assessment reflected in the March 2010 EA.

A. Climate/Geologic Setting/Land Use Impacts

The proposed access road/utility line corridor is located within a predominately rural area; land use consists primarily of grassland (53%) and cultivated land (46%). Construction of the access road reroute would result in the conversion of approximately 23.5 acres of land from its current use into a transportation corridor. This conversion is not anticipated to result in a trend towards changing land use patterns. No mitigation is proposed.

¹ Finding of No Significant Impact: Petro Hunt, LLC, Drilling of 15-1H, 11-1H, 24-1H and 19-1H Exploratory Wells, Fort Berthold Reservation (March 2010)

Table 1 Land Use

LAND CLASSIFICATION	PERCENT OF STUDY AREA 46.4	IMPACTED ACRES 10.9
Cultivated		
Developed/Roadways	<0.1	0.1
Grassland	53.2	12.5

B. Wetlands, Wildlife, and Vegetation

An on-site assessment was conducted on August 24, 2010 with the BIA Environmental Protection Specialist, Petro Hunt, BIA Tribal Historic Preservation Office (THPO) and Kadrmas, Lee & Jackson. The purpose of this survey was to gather site-specific data and photos with regards to biological, botanical and water resources. A 100-foot corridor centered on the proposed access road reroute centerline was evaluated during the visit. The proposed corridor was adjusted, as appropriate, to best avoid impacts to any identified environmental areas of concern.

i. Wetlands

During the on-site assessment, one wetland area was identified along the proposed route. The proposed corridor was shifted to avoid impacts to this area. No other wetlands were identified along the proposed route.

C. Cultural Resources

A cultural resource inventory of this access road reroute was conducted by personnel of Kadrmas, Lee & Jackson, Inc., using an intensive pedestrian methodology. Approximately 54 acres were inventoried on August 24, 2010 (Shropshire and Klinner 2010). Three archaeological sites were located that may possess the quality of integrity and meet at least one of the criteria (36 CFR 60.6) for inclusion on the National Register. One "area of concern" was located that may qualify for protection under the American Indian Religious Freedom Act (42 USC 1996). As the lead federal agency, and as provided for in 36 CFR 800.5, on the basis of the information provided, BIA reached a determination of **no historic properties affected** for this undertaking, as the archaeological sites and area of concern can and will be avoided. This determination was communicated to the THPO on November 16, 2010 and the THPO concurred on December 2, 2010.

Shropshire, Michael, and Duane Klinner

(2010) Access Road Reroute for Fort Berthold 152-93-18B-19-1H Well Pad: A Class III Cultural Resource Inventory in McKenzie County, North Dakota. KLJ Cultural Resources for Petro-Hunt, LLC, Bismarck.

7

NEPA ADEQUACY CRITERIA

This document has identified one previously prepared NEPA document, *Petro Hunt, LLC, March 2010 Environmental Assessment for the Drilling of 15-1H, 11-1H, 24-1H and 19-1H,* which adequately describes the environmental consequences of the newly proposed action described herein, and meets the following NEPA Adequacy Criteria:

- 1. The proposed action is substantially the same action and at the sites specifically analyzed in the existing NEPA document.
- The range of alternatives is reasonable with respect to the current proposed action in the existing NEPA document, which appropriately considers and analyzes current environmental concerns, interests, and resource values.
- 3. The existing analysis and conclusions are adequate in the existing NEPA document. The analysis is still valid in light of new studies and/or resource assessment information.
- 4. The methodology and analytical approach used in the existing NEPA document continues to be appropriate for the proposed action.
- 5. The direct and indirect impacts of the proposed action are unchanged from those identified in the existing NEPA document or described in this EA Addendum.
- 6. The cumulative impacts that would result from implementation of the proposed action are unchanged from those analyzed in the existing NEPA document.
- 7. A 30-day comment period involving public input and interagency review was used in the development of the existing NEPA document.



IN REPLY REFER TO: DESCRM MC-208

United States Department of the Interior

BUREAU OF INDIAN AFFAIRS Great Plains Regional Office 115 Fourth Avenue S.E. Aberdeen, South Dakota 57401



NOV 1 6 2010

Perry 'No Tears' Brady, THPO Mandan, Hidatsa and Arikara Nation 404 Frontage Road New Town, North Dakota 58763

Dear Mr. Brady:

We have considered the potential effects on cultural resources of an oil well pad access road reroute in McKenzie County, North Dakota. Approximately 54 acres were intensively inventoried using a pedestrian methodology. Potential surface disturbances are not expected to exceed the area depicted in the enclosed report. Three archaeological sites (32MZ2106, 32MZ2107, 32MZ2108) were located that may possess the quality of integrity and meet at least one of the criteria (36 CFR 60.4) for inclusion on the National Register of Historic Places. One "area of concern" was located that may qualify for protection under the American Indian Religious Freedom Act (42 USC 1996).

As the surface management agency, and as provided for in 36 CFR 800.5, we have therefore reached a determination of no historic properties affected for this undertaking, as the archaeological sites and area of concern can and will be avoided. Catalogued as BIA Case Number AAO-1620/FB/09, the proposed undertaking, location, and project dimensions are described in the following report:

Shropshire, Michael, and Duane Klinner

Access Road Reroute for Fort Berthold 152-93-18B-19-1H Well Pad: A Class III Cultural (2010)Resource Inventory in McKenzie County, North Dakota. KLJ Cultural Resources for Petro-Hunt, LLC, Bismarck.

If your office concurs with this determination, consultation will be completed under the National Historic Preservation Act and its implementing regulations. The Standard Conditions of Compliance will be adhered to.

If you have any questions, please contact Dr. Carson N. Murdy, Regional Archaeologist, at (605) 226-7656.

Sincerely,

Regional Direc

Enclosure

cc: Chairman, Three Affiliated Tribes Superintendent, Fort Berthold Agency

Murdy, Carson

From: Elgin Crows Breast [redhawk@mhanation.com]

Sent: Thursday, December 02, 2010 4:11 PM

To: Murdy, Carson

Cc: milindsey@petrohunt.com; jennifer krueger; Mamie Craig
Subject: RE: Report for Petrohunt's FB 152-93-18B-19-1H access rr

Dear Mr. Murdy,

I'am in receipt of the Cultural Report Titled "Access Road Reroute for Fort Berthold 152-93-188-19-1H Well Pad, A Class III Cultural Resource Inventory in Mckenzie County, North Dakota" Prepared for Petro Hunt , Principle Investgator; Ms. Jennifer Hardy.

I have reviewed the report and concurr with the "No Historic Properties Affects" given by your office. I'am concerned about 32MZ2106 and 32MZ2107. If proper distants is adhere to mentioned in the report I do not have a problem with the determination. However, there is always that possibility of inadvertent discoveries of cultural resources during contruction of the project. If this occurs all work must stop and my office contacted. This project may continue as planned. If you have any question or concerns please contact my office at 701-862-2474 or my cell phone at 701-421-8400. Thank you...Elgin Crows Breast, THPO, 404 Frontage Road, New Town, North Dakota 58763

From: Murdy, Carson [Carson.Murdy@bia.gov] Sent: Thursday, December 02, 2010 3:04 PM

To: Elgin Crows Breast

Subject: Report for Petrohunt's FB 152-93-18B-19-1H access rr

Elgin, I forgot to include this. Carson

Notice of Availability and Appeal Rights

Petro-Hunt: Addendum to Reroute Access Road

The Bureau of Indian Affairs (BIA) is planning to issue administrative approvals related to an addendum to authorize reroute of an access road as shown on the attached map. Construction by Petro-Hunt is expected to begin in the Winter 2010.

An environmental assessment (EA) determined that proposed activities will not cause significant impacts to the human environment. An environmental impact statement is not required. Contact Howard Bemer, Superintendent at 701-627-4707 for more information and/or copies of the EA and the Finding of No Significant Impact (FONSI).

The FONSI is only a finding on environmental impacts – it is not a decision to proceed with an action and *cannot* be appealed. BIA's decision to proceed with administrative actions *can* be appealed until January 10, 2010, by contacting:

United States Department of the Interior Office of Hearings and Appeals Interior Board of Indian Appeals 801 N. Quincy Street, Suite 300, Arlington, Va 22203.

Procedural details are available from the BIA Fort Berthold Agency at 701-627-4707.

Project locations.

